



## DEPUTY SECRETARY OF DEFENSE

1010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1010

81 MAR 1999



Dear Transportation Industry Partner:

I am pleased to announce that the Department of Defense (DoD), in conjunction with the commercial transportation industry, is taking another major step toward adopting transportation industry commercial practices. These changes are a result of our Defense Reform Initiative to reengineer Defense transportation documentation and financial processes. Specifically, we are eliminating government-unique documentation, to include freight Government Bills of Lading and military manifests for commercial sealift movement.

We are also implementing U.S. Bank's *PowerTrack*<sup>SM</sup> service for commercial transportation payment of freight movements within the United States, worldwide express movements, and sealift intermodal container service. *PowerTrack* is an online payment and transaction tracking system that will reduce the payment cycle from an average of 60 days down to 3 days from notification that service has been performed. It effectively supports up-front pricing, facilitates the exchange of electronic information between shipper and carrier, and provides an automated payment and reconciliation tool. These changes will streamline our procedures, reduce paperwork, and eliminate the need for Government unique payment centers dedicated to paying transportation services.

I would like to express my sincere appreciation to the National Defense Transportation Association for their support during this effort. I would specifically like to thank the carriers that participated in our prototypes: Consolidated Freightways; Emery Worldwide; Overnight Transportation Company; Old Dominion Freight Line, Inc.; ABF Freight Systems; DHL Worldwide Express; Federal Express; Landstar Ranger, Inc.; Green Valley Transportation Corp.; TRISM, Inc.; Sea-Land Service Inc.; and American President Lines. Working together as partners in this process has enabled us to formulate a "win-win" solution. We are eager to expedite implementation and begin reaping benefits on all sides.

I look forward to our continuing partnership and dialogue as we proceed with our plans to move Defense transportation into the 21<sup>st</sup> century.

Sincerely,

John J. Hamre